

FBIS**DAILY REPORT
CONTENTS***Latin America*

Vol VI No 161

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ARGENTINA

SIDE Head Denies Foreign Guerrilla Presence	B 1
Navy Outlines Modifications to Defense Law	B 1
Alfonsin To Return to Brazil in December	B 3

BOLIVIA

Street Riots in Oruro; 42 Arrested, 7 Injured	C 1
U.S. To Supply Services to Joint Commission	C 1
Drug Raid Near Trinidad	C 2
Bedregal Comments on Recent Trip to U.S.	C 3
Government Decreases 20-Percent Import Tax	C 4
FRG Representative Discusses Increased Support [EL DIARIO 15 Aug]	C 5

CHILE

Pinochet Answers Critics, Denies Seeking Power	E 1
Pinochet: Armed Forces Willing To Shed Blood	E 2
Cuadra Says Time for 'Children's' Games Over	E 2
Pinochet 'Targets' CNS Leaders for Attack	E 3
Security Services Reportedly Spying on Embassies	E 4
Government: 'No Comment'	E 5
Merino Denies CIA Tapping, Helms Report [EL MERCURIO 8 Aug]	E 5
Opposes U.S. Intervention	E 6
FPMR Claims Responsibility for Kidnapping	E 7
Politicians React to Pascal Allende's Remarks [EL MERCURIO 10 Aug]	E 7
ANALISIS Back on Streets; Director Still in Jail	E 8
Social Democratic Union Issues Proposal [LA TERCERA DE LA HORA 11 Aug]	E 9

COLOMBIA

Barco on Military's Role, Ties With Cuba [EL TIEMPO 14 Aug]	F 1
Rebel Leader Seeks Asylum in Austrian Embassy	F 2
Army Locates CNG House, Weapons in Medellin	F 2
Cartegena Judge Orders Release of Ochoa Vasquez	F 2

PARAGUAY

PRF Head Says Armed Struggle 'Last Chance'	H 1
Government Bans Festival for Political Reasons [EL DIARIO 15 Aug]	H 1

PERU

Congressmen: CIA Involved in Pia Vesta Case	J	1
[CARETAS]		
Senate Investigates	J	1
Minister Huayta Comments on IMF Decision	J	2

URUGUAY

Iglesias Praises Trade With Brazil	K	1
Colorados Willing To Grant Amnesty to Military	K	1

VENEZUELA

French Official Supports Contadora, Meets Lusinchi	L	1
Congress President Suggests Government Program	L	1
[EL UNIVERSAL 11 Aug]		

MEXICO

Secretariat Confirms Receipt of U.S. Protest Note	M	1
Visiting Romanian Ambassador on Disarmament	M	1
Briefs: Antinarcotics Campaign; Navy Burns	M	1
Confiscated Cocaine		

PANAMA

PALA Demands Compliance With UNADE Pacts	N	1
--	---	---

CENTRAL AMERICA

COSTA RICA

Arias Comments on Human Rights, ICJ Suit	P	1
--	---	---

EL SALVADOR

FDR's Villacorta on Goals of Predialogue Meeting	P	1
Managua Airs FMLN-FDR Communique	P	2
Officials Arrive in Mexico	P	3
Talks Reportedly Begin 19 Aug	P	3
FMLN Claims Helicopter 'Net' Destroyed Aircraft	P	3
[Venceremos]		
Venceremos Links Blandon, Pia Vesta Shipment	P	4
Castillo Rejects Charges	P	5
Colonel Says Rebel Efforts in West Failure	P	6

GUATEMALA

Guatemala, UK Resume Consular Relations	P	7
Briefs: Heroin, Cocaine Seized	P	7

NICARAGUA

Ramirez Presents C.A. Economic Cooperation Plan	P 8
Government Hopes To Meet Church Leaders Soon	P 9
[EL NUEVO DIARIO 19 Aug]	
7 Civilians Killed in Reported Contra Ambush	P 10
BOS Delegates Begin Congress in San Jose [AFP]	P 10
Cesar Predicts War Escalation [AFP]	P 11
Seeks No U.S. Intervention [AFP]	P 12

CUBA

U.S. Refuses To Join Gorbachev's Moratorium Call	Q 1
Ortega Cited on 'Vietnamization' of C.A.	Q 1
Soviet Specialists Assist With Experiments	Q 1
Alegrett Inaugurates SELA Meeting in Caracas	Q 1
'Our America' Commentary on Salvadoran Dialogue	Q 2
Miret Chairs Punta Gorda Nickel Plant Meeting	Q 3
Lazo Heads FMC Meeting in Santiago de Cuba	Q 3
Construction Union Discusses Deficiencies	Q 3
Briefs: Suspension of Argentine Credits	Q 3

OTHER COUNTRIES

CARIBBEAN

BARBADOS

Authorities Increase Fight Against Drugs	V 1
--	-----

TRINIDAD-TOBAGO

Chambers Calls for Party To Open Nominations	V 1
--	-----

DOMINICAN REPUBLIC

Balaguer To Launch Construction Program	V 1
---	-----

SIDE HEAD DENIES FOREIGN GUERRILLA PRESENCE

PY192342 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1603 GMT 19 Aug 86

[Text] Buenos Aires, 19 Aug (NA) -- Facundo Suarez, head of the Secretariat for State Intelligence [SIDE], stated today that the SIDE "has not recorded the entrance" of presumed foreign guerrillas in Argentina. He also denied the existence of a subversive resurgence in the country and ratified the Argentine Government's neutrality regarding the Chilean internal political situation.

Suarez told Radio Belgrano that "to start a new witch hunt is a mistake" and that "what we have to do is to defend the institutional order from those elements that conspire against it." Suarez thus denied a news report which stated that on 14 August the government reportedly studied "with concern" the entrance of alleged foreign terrorists, during a meeting among Foreign Minister Dante Caputo, Defense Minister Horacio Jaunarena, and Facundo Suarez himself.

Suarez minimized the importance of that meeting, saying that "these meetings are held regularly to provide an opportunity for the ministers to be informed about the type of intelligence SIDE is carrying out."

In this respect, he stressed that "the era when the SIDE was an arm of the police of an ideological nature has passed. At the present time we are carrying out a really true intelligence task." He also stated that the SIDE "will never again become an arm of the police; and it will limit itself to its appropriate task: information."

After pointing out that the SIDE "has not noted the entry" into Argentina of alleged foreign terrorists, Suarez ratified statements by Interior Minister Antonio Troccoli that there "has been no type of subversive resurgence in the country."

He then stated that Chile "is experiencing a stage of great violence that entails some inconvenience for Argentina," but at the same time he ratified the government's "neutrality regarding events that could upset other countries."

He also maintained that the SIDE "has not organized any type of action to violate the freedom of the citizens." He stressed that "there is absolute freedom of expression, and political parties act without restrictions."

NAVY OUTLINES MODIFICATIONS TO DEFENSE LAW

PY191525 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2125 GMT 14 Aug 86

[Text] Buenos Aires, 14 Aug (NA) -- The Navy today proposed a series of modifications to the National Defense Law, which has already been approved by the Chamber of Deputies. The highlight of the modifications refers to the participation of the Armed Forces "when any type of aggression or threat has to be faced," not only "when the aggression is of a foreign nature," as specified in the original document. The Navy also proposes the elimination of the principle of military intelligence organizations "in no way" becoming involved in "the country's internal political affairs."

The Navy has also stated that it supports the replacement of the chief of staff of each force and the naming of a commander in his place. It has also proposed the post of chief of the Joint Staff be rotated among the Army, Navy, and Air Force.

These ideas are contained in an extensive 26-page document that Navy Chief of Staff Admiral Ramon Arosa this afternoon submitted to Antonio Berhongaray (UCR [Radical Civic Union] for La Pampa Province), who is president of the Senate Defense Committee. The document recommends modifications to 19 of the 37 articles of the National Defense Law.

The Navy's document also proposes the creation, jointly with the Defense Cabinet and the Military Committee, [passage indistinct] drafted by the executive branch of the National Intelligence Center, and the elimination of a paragraph that specifically establishes that the members of the Armed Forces "will be subject to a rule of internal discipline and they will adjust their procedures to national and international laws that apply to armed conflicts."

The document states that it is also necessary to exclude a part of the draft's first article that establishes that none of the National Defense Law regulations "will be interpreted to the detriment of the constitution or of the representative, republican, and federal system of government.

"This wording," the document stresses, "is redundant, because there can be no law that is contrary to the spirit and/or letter of the constitution."

Regarding its request to modify the phrase "aggressions of a foreign nature" for the phrase "every type of aggression or threat," the Navy's document states that "it must be taken into account that aggression cannot be considered as only foreign and military, there is also the aggression that affects the nation's interests, whether they are diplomatic, economic, or ideological."

In the 7th article the Navy wants to change the passage "the National Defense Cabinet will be presided over by the president of the nation" for the passage "the meetings of the National Defense Cabinet will be presided over by the president of the nation," based on the argument that the chief of state "presides over the cabinets, but is not a member of them."

On requesting modifications to the 9th article, the document states that the military committee will assist the president in conducting war in all its phases, because "modern wars are fought without a prior declaration and, therefore, they do not have a well-defined starting point" and, therefore, "the president would be deprived of advice even after the hostilities have started."

On changing the current title of chief of staff to commander, it is noted that the suggested title "respects and differentiates constitutional rights and at the same time gives each force a title that is in accordance with its appropriate functions."

Regarding the National Intelligence Center, the document maintains that the "military intelligence doctrine, where the intelligence system is instituted, establishes rules and procedures for the collection, evaluation, and dissemination of military intelligence, and it also establishes each level's guidelines in executing the effort and the functional relations that they maintain between themselves and each level of the hierarchy of the political leadership."

The document states that if the "executive branch orders that" the post of chief of the Joint Staff be rotated among the three Armed Forces," it will prevent "frictions and thus make the results of the organizations' orientation much more balanced."

Article 15 stresses that "the dissuasive use of the Armed Forces is a strategic model to be used only when the adversary has been clearly defined," but with the provision that "the effective use is to be a last resort, and that this attitude can change substantially according to the mission assigned by the president."

In conclusion, the document indicates that it believes that the law must contain the expression "military zone," and define the responsibilities that will be exercised in such areas.

ALFONSIN TO RETURN TO BRAZIL IN DECEMBER

PY160337 Buenos Aires TELAM in Spanish 2334 GMT 14 Aug 86

[Text] Buenos Aires, 14 Aug (TELAM) -- President Raul Alfonsin will travel to Brazil on 15 December to work with Brazilian President Jose Sarney on implementation of some of the bilateral cooperation accords that were signed in Buenos Aires at the end of July.

This information was supplied by Argentine and Brazilian businessmen who are staying in contact to arrange the timetables and the methodology to be used in commercial operations within the framework of the bilateral cooperation accord.

STREET RIOTS IN ORURO; 42 ARRESTED, 7 INJURED

PY200213 Paris AFP in Spanish 0038 GMT 20 Aug 86

[Text] La Paz, 19 Aug (AFP) -- It was reported here today that in the past few hours 42 people were arrested and 7 injured during clashes between demonstrators and the police in the city of Oruro. A general, indefinite strike over regional demands has been underway there since 14 August.

Miner Federation leader Simon Reyes, a member of the Chamber of Deputies, has said thousands of miners are coming from their districts to the capital cities of Oruro and Potosi Departments, where there has been intense social mobilization. He added that miner leaders are meeting to coordinate their actions with the general strike called by Bolivian Labor Confederation (COB) for 21 and 22 August.

The most serious incidents occurred in Oruro, where thousands of workers, students, teachers, and peasants detonated sticks of dynamite as they clashed with police, who tear-gassed the demonstrators.

The Oruro civic committee and union organizations demand the reopening of the state-owned mining and metallurgical companies, the provision of utilities, and an authorization to operate two television stations. The Oruro and Potosi Departments and the mining sector decreed a general strike, demanding the government solve the crisis in the mining sector. They also demand a solution in connection with the plan to close 11 companies and dismiss 13,000 miners. In view of this, Deputy Interior Minister Guico Meruvia went to Oruro to try to meet civic and union leaders in search of a solution to the crisis.

Interior Minister Fernando Barthelemy a few hours ago said the government might impose the state of siege in case of a widespread mobilization fueled by opposition labor sectors, which might be trying to create an atmosphere of subversion to topple the government.

For his part, defense Minister Fernando Valle has said if the police forces are overwhelmed by the demonstrators, the Armed Forces will take the necessary action to preserve order.

U.S. TO SUPPLY SERVICES TO JOINT COMMISSION

PY191602 La Paz La Red Panamericana in Spanish 1130 GMT 19 Aug 86

[Text] Foreign Minister Guillermo Bedregal Gutierrez has stated that Bolivia and the United States have decided to create a commission to fight drug trafficking. After his last meeting with President Victor Paz Estenssoro, the decision was made to continuously rotate U.S. troops and equipment. According to the foreign minister, the two governments will create a joint commission.

The U.S. Government will supply logistical and technical support through a program aimed at rotating the special U.S. forces and equipment.

Reporting on the outcome of his recent trip to Washington, the foreign minister stated that it was decided that the U.S. troops will proceed with a continuous rotation program. The training of men and the supply of equipment to the special Bolivian forces by U.S. Army experts is also planned.

The foreign minister failed to mention how long the U.S. troops will stay in Bolivia. On this point, there are no official reports, Bedregal Gutierrez said. We only have the comments made by Ambassador Fernando Illanes, who reportedly stated that U.S. troops will stay, quote, 60 days, unquote, in Bolivia.

Drug Raid Near Trinidad

PY191511 La Paz La Red Panamericana in Spanish 1130 GMT 19 Aug 86

[Text] Information Ministry Director Jaime Vazquez has reported in Communique No 9 that U.S. troops and Umopar [Mobile Units for Rural Areas] forces have recently raided an important airstrip used for drug trafficking supplies and operations.

[Begin Vazquez recording] A clandestine airstrip, which apparently was used as a supply base for international drug trafficking operations, has been located by Umopar forces with the logistical support of the U.S. mission some 250 km northwest of Trinidad.

The raid started early in the morning when several patrols were deployed to locate the base, and then they continued through the jungle until they reached the airstrip. The patrols found more than 60 drums of gasoline. [end recording]

It has also been reported that the police have seized large quantities of chemicals -- mainly ether -- which were intended for use by laboratories in Beni Department. From the site inspection, it is believed the airstrip was being used to conduct transactions and also to ship out chemicals.

[Begin Vazquez recording] Inhabitants of San Antonio, a small town nearly 25 km from the airstrip, have said the airstrip was constantly being used by all kinds of aircraft.

Operations continued today in this area, although no laboratories were found. The operations will continue. [end recording]

This was the official report issued by the Information Ministry on actions conducted over the past few hours against cocaine traffickers in Bolivian territory. The Information Ministry will issue its regular communiques when the actions against drug trafficking are resumed.

BEDREGAL COMMENTS ON RECENT TRIP TO U.S.

PY191856 La Paz La Red Panamericana in Spanish 1130 GMT 18 Aug 86

[Excerpts] In the opinion of the Bolivian foreign minister, the negotiations with the U.S. Government were successful. After returning, Foreign Minister Guillermo Bedregal Gutierrez told Panamericana the following:

[Begin Bedregal recording] The first stage of the mission that took us to the United States was successful. Something apparently unusual occurred; the venue for the meeting with the U.S. President was changed. It was held in his office -- the Oval office -- in the presence of the most important officials of his administration: Secretary of State Shultz, Secretary of Defense Weinberger, Secretary of Treasury Baker -- of the famous Baker Plan, -- Attorney General Edwin Meese III, and the under secretary for cooperation. This meeting lasted more than the usual 10 minutes. [passage omitted] [end recording]

Bedregal also explained that the visit cannot be considered a request for help, but a coordination of efforts within a global program. He continued:

[Begin Bedregal recording] We did not ask them to help us. Help is a word that particularly (?disgusts) me. We explained the necessity for [word indistinct] drug trafficking, (?according to the law,) as a joint task of the Bolivian and U.S. Governments, and of the governments that are involved in this [words indistinct] crime. As far as volume is concerned, the greatest harm drug trafficking causes is to the moral structure of a society, particularly in the United States and other industrialized countries. These are the countries more virulently affected by the consequences of this malignant trade. [end recording]

Referring to the statement of U.S. President Ronald Reagan, Bedregal said:

[Begin Bedregal recording] During our meeting, President Reagan perfectly understood our request. We were not here to hold a discussion. We took a program of figures, an immediate disbursement, that would ethically resemble an invoice for actions conducted by the country to fight a crime as evil as that. If this was understood on those terms, obviously our task was very important. Right after the meeting with President Reagan, in an almost marathonic relay of work, we held individual meetings with each one of the secretaries, with the worldwide chief of the Agency for International Development, at the Department of State with Mr Shultz, separately with Mr Weinberger, [words indistinct] and with the secretary of the treasury, very positive meetings. [end recording]

Later, when asked about the negotiations for the \$100-million loan to continue with the fight against drug trafficking, Minister Bedregal said:

[Begin Bedregal recording] It is a 3-year program that would cost basically some \$400 or \$360 million. Right now, to start implementing this program, we would need a bridge loan of \$100 million, that is obviously [words indistinct] and have to be well figured out. The difficulty, however, is that we cannot simply say: Give me a \$100-million check to continue this fight.

Such a proposal would be totally routine and would not reflect the reality of an action as complex as the one we have just started. Besides, this matter is also related to the balance of payments to our current economic policy, and to the program of economic re-activation we will have to conduct as soon as the consultative group of the World Bank meets. [words indistinct] This reactivation program will be launched in the month of October, under circumstances making this reactivation not merely a matter of empty words, but something real and concrete, based on the priorities of our development [words indistinct].

Besides, we had to hold talks with the IMF. Mr de Larosiere was on vacation, so we talked to his deputy. We also talked with IDB officials in order to plan multiple actions in an attempt to solve the dramatic and critical situation we are experiencing. [passage omitted] [end recording]

According to Minister Bedregal, we have succeeded in obtaining international confidence in the operations being carried out in Bolivia. [passage omitted]

In conclusion, Bedregal said -- referring to the operations against drug trafficking -- We cannot talk about military support. We are receiving police support from experts who are making their contribution to Bolivia. In answer to several questions by Panamericana on the talks with Chile, Minister Bedregal commented on some reports that have led to speculation.

[Begin Bedregal recording] I have explained that it has been a rapprochement, a rather personal rapprochement of the spiritual kind, to start an effectively positive dialogue. To overcome a stage [words indistinct] is what we must do now. Nevertheless, the reporters' guesswork has absolutely no official basis with regard to the talks we held of more than 9 hours with Chilean Foreign Minister Jaime del Valle and his friend, the Peruvian foreign minister. [end recording]

GOVERNMENT DECREES 20-PERCENT IMPORT TAX

PY161522 Madrid EFE in Spanish 0211 GMT 16 Aug 86

[Text] La Paz, 15 Aug (EFE) -- The Bolivian government today enforced a new customs tariff with a fixed tax of 20 percent on all imports, both by private business and the public sector. The government said: "The critical economic situation of the country demands that emergency measures be taken."

The government decree enforcing the new tariff simplifies the customs rules for imports and consolidates all concepts in a single tax, officials assert. The 20-percent tax will be applied to all imports on the value of the goods placed at the border. There are exemptions for imports made by diplomatic missions or those covered by the investment law.

The private sector and the industries have expressed their concern over the single 20-percent tax, since it does not differentiate between the imports of raw materials, machinery and tools for foodstuff production, and the luxury imports, such as cars. The Bolivian agroindustry and the agricultural sector have said that the 20-percent tax will affect the price of foodstuffs of which 40 percent are imported. According to estimates by the businessmen, the single import tax may cause an increase in foodstuff prices of 8 to 12 percent.

FRG REPRESENTATIVE DISCUSSES INCREASED SUPPORT

PY200111 La Paz EL DIARIO in Spanish 15 Aug 86 p 5

[Text] Dr Volkmar Kohler, a representative of the FRG Government now visiting Bolivia, has expressed his country's intention to cooperate with Bolivia "beyond bilateral support."

Kohler is an official of the Federal Ministry of Economic Cooperation. During his stay in La Paz, he will meet government authorities, congressmen, and departmental authorities. After his visit to Bolivia, he will travel to Brazil, and then to Denmark.

According to Kohler's statements, he came to Bolivia to learn about the national situation, particularly in the economic field; Kohler said that during the meetings he held with President Victor Paz, Vice President Julio Garret, and other authorities, the favorable atmosphere allowed him to learn some aspects inherent in the Bolivian economy, and he will transmit the Bolivian necessities to his government.

Kohler explained the help the FRG is ready to offer cannot be expressed in figures, but that his country belongs to multilateral organizations, such as the IDB, the World Bank, the IMF, and others, in which it has a decisive role in the decisionmaking. In order to make any decision, these organizations must consult the FRG or get its approval. Therefore, if the FRG knows the Bolivian problems, it can help through its representatives in those organizations, with decisions that benefit Bolivia.

When asked about the total amount of the Bolivian debt to the DRG, the FRG ambassador to Bolivia who was also present on that occasion said it amounts to DM24 million. This debt, according to agreements made with the Paris Club for bilateral debts, will be paid just like the debts to other creditor countries.

Kohler also said no further loans have been negotiated with the Bolivian authorities. He visited the projects being financed by the FRG, and said the rural projects being conducted with the participation of the beneficiaries are a priority because they do not require the participation of big companies.

PINOCHET ANSWERS CRITICS, DENIES SEEKING POWER

PY191454 Santiago Domestic Service in Spanish 1030 GMT 19 Aug 86

[Excerpts] Speaking in Cauquenes, President Augusto Pinochet said the huge extremist arsenal discovered in the northern region of Chile is worth \$5 million. President Pinochet said we have discovered a plot planned by opposition members living both inside and outside the country. The following is a relay from Cauquenes:

[Begin relay] President Pinochet today said in Cauquenes that the politicians who are always distorting information that is not to their advantage could never deny they have lost \$5 million with the finding of the subversive arsenal in the northern region.

The president also said that in view of the discovery's seriousness, the government will soon enforce decisive measures, but he did not specify these measures. [passage omitted] President Pinochet closed his address by issuing a new appeal to non-Marxist sectors to eradicate violence.

Immediately after this ceremony, members of the local community held a luncheon in his honor at the end of which Pinochet delivered another speech. This time, Pinochet denounced the attacks to which the government has been subjected by Marxism since 1973 and particularly over the last few months through a plot planned by members of the opposition who live in Chile and abroad. He also denounced the fact that in their struggle Marxist opposition members have acted in various groups such as the National Coordinating Union Board; the committees for the rights of the people; the committees for the rights of youths; and the National Civic Assembly, among others. The president said: There are a thousand ways to present the same objective, which is to overthrow the government.

Pinochet also referred to the existence of arsenals which were part of the opposition's plan to overthrow the government. He added that the number of arms found were greater than those of the Chilean Army [sentence as heard].

He stated he will not yield 1 single inch to the communists and answered his detractors who charge he is power hungry by saying:

[Begin Pinochet recording] I do not want to expand on this because I do not want to create an atmosphere of fear among the people. But I want to make it perfectly clear: (?They say I run like a hare), but I will not yield 1 single inch to the communists. [long applause, shouts of "Pinochet, Pinochet"]

Many charge that I am power hungry, but I am here not out of ambition. I am here because I am convinced that I am struggling for a great cause: my fatherland.

They cannot take anything from me, nothing at all. I am an austere man. (?This is my personal rule.) As a man, I am not one who seeks luxury or anything not in keeping with an austere life. I love my family, and I love my wife. Consequently, the only thing they can charge now is that I am alone. But when I look around to see if I am indeed alone and I see that I am surrounded by people, I feel an urge to embrace all those around me. [long applause]

I end this message by thanking you for your affection and also by saying that the discovery [of the arsenal] in the northern region may be denied, and a thousand things may be said about it, because politicians are always distorting things to their advantage, but they will never be able to deny they lost \$5 million worth of arms. [end recording] [passage omitted] [end relay]

PINOCHET: ARMED FORCES WILLING TO SHED BLOOD

PY200303 Paris AFP in Spanish 0231 GMT 20 Aug 86

[Text] Chillan, 19 Aug (AFP) -- President General Augusto Pinochet today said the Armed Forces and Police are determined to shed the last drop of blood to keep the regime for the good of all Chileans. He added: I know the psychological campaign continues. A colonel in charge of the protocol in the Santiago garrison has been kidnapped, but we have the courage to confront them if necessary.

Mario Haberle, a high-ranking officer of the Army, was kidnapped on 18 August by an unidentified armed commando. He has now been in the hands of his captors for 40 hours, and his whereabouts is unknown.

Gen Pinochet who spoke in the gymnasium in Chillan -- 400 km south of Santiago -- to a crowd of about 2,000 youths, emphasized that the Armed Forces will continue to work to implement the national Constitution which established his mandate until 1989.

Pinochet expressed his categorical rejection of foreign intervention in Chilean internal affairs. He reiterated the decision of the Armed Forces and Police to achieve peace and security for Chileans in the face of the efforts to destabilize his government through the use of violence and weapons. Pinochet said: We members of the Armed Forces and of security forces are determined to shed our last drop of blood to safeguard freedom and to preserve all this for the good of all of you.

Then, thanking those supporters who attended the rally, Pinochet said: The support you are now giving the government shows that the government is not alone, that it is backed and supported by all of you.

On the 2d day of a 3-day tour of the Chilean central region, Pinochet stated that those attempts to bring the nation to a standstill are directly detrimental to the workers, especially, to the most needy sectors. Opposition sectors are preparing a second national stoppage for 4 September, a date when presidential elections are usually held in Chile. The clandestine Manuel Rodriguez Patriotic Front (FPRM) has also made a call to the people to paralyze the country.

CUADRA SAYS TIME FOR 'CHILDREN'S' GAMES OVER

PY190352 Paris AFP in Spanish 2243 GMT 17 Aug 86

[Text] Santiago, 17 Aug (AFP) -- After the discovery of a very powerful subversive arsenal on the coasts of northern Chile, General Augusto Pinochet's government today warned that the time for playing children's games is over.

Stressing that the situation is serious, Minister Secretary General Francisco Javier Cuadra stated this is not a time for weakness, it is a time for definitions.

The first arms cache was discovered on 7 August, and then three more caches were discovered apparently unloaded in the area of Carrizal Bajo, 770 km north of Santiago. The caches included: 1,700 U.S. carbines; approximately 100 Soviet rocket launchers; and tons of explosives, according to the authorities.

The official reports have provoked incredulity in opposition sectors, while the clandestine FPMR (Manuel Rodriguez Patriotic Front) and the MIR (Movement of the Revolutionary Left) -- whom the government has accused of promoting this subversive operation -- have stressed that the discovery of the caches is a farce from start to finish.

In an interview published on 17 August in the newspaper EL MERCURIO, Cuadra warns: He who has eyes, observes; he who has ears, listens -- apparently referring to the skeptics. The high-ranking official also stated that the time for playing children's games is over, and he stressed it is necessary for the subversive groups to be isolated, terming as naive the strategy of the moderate opposition, which is promoting civilian disobedience against the regime in order to achieve a return to democracy.

In an extensive recount of the most recent dynamite attacks, kidnappings, and the violent deaths of opposition members and government agents, EL MERCURIO states that between January 1984 and June 1986 the Chilean diary of terror and political violence had more than 1,000 entries. The process appears to be escalating and has resulted in approximately 100 deaths, the article adds.

PINOCHET 'TARGETS' CNS LEADERS FOR ATTACK

PY192247 Santiago Radio Chilena in Spanish 1700 GMT 19 Aug 86

[Excerpts] National Union Coordinating Board [CNS] President Manuel Bustos this morning said General Augusto Pinochet's remarks on the CNS target CNS leaders for possible terrorist attacks. Bustos added that the same thing happened after the president leveled charges against ANEF [National Association of Government Employees] leader Tucapel Jimenez. Bustos said the president's statements in Cauquenes -- where Pinochet said that the CNS is a communist front organization -- are very unfortunate.

[Begin Bustos recording] I want to tell you that, unlike Gen Pinochet, the CNS does not operate as a communist front organization. Actually, for 11 or 12 years he has engaged in an intense anticommunist campaign. He has thus advertised communism in Chile, free of charge, particularly in the case of the arsenal they said they discovered, in their campaign through the television, the radio, and the press. The government claims to have discovered over 2,000 rifles and an incredible quantity of dynamite. How then can one expect the anticommunist policy of the past 12 years to be of any profit at all? [end recording]

This means that the true communist activist is the government, rather than the CNS, Bustos said. [passage omitted]

Bustos compared what happened on 18 August with the atmosphere prevailing before the murder of Tucapel Jimenez.

[Begin Bustos recording] Gen Pinochet, who claims to be working for the unity of Chileans, should not attack unions. The only thing I can say is that the president's remarks yesterday have made us possible victims of the groups inserted in the regime: the same groups who have abducted and killed a boy, whose body was found upon the stones in Santo Domingo, and the same groups who have beheaded professors. Now we are on the top of the list of victims. We must recall Tucafel Jimenez' death. Tucafel Jimenez was killed after Gen Pinochet mentioned him in Temuco. That is why the president's remarks have made us possible victims of the extremist groups sheltered by the security agencies. [end recording]

Bustos concluded by saying the president will be directly responsible for anything that may happen to CNS members, because with his remarks he paved the way for the murder of union leaders. Bustos added that some people do not want Chilean unions and union leaders to struggle for the rights of workers.

SECURITY SERVICES REPORTEDLY SPYING ON EMBASSIES

PY191816 Madrid EFE in Spanish 1805 GMT 19 Aug 86

[Text] Madrid, 19 Aug (EFE) -- The security services of the Chilean military government have been engaging in espionage activities to obtain confidential information from the Spanish Embassy in Santiago. Sources of the Spanish Foreign Ministry who are aware of the affair have reported that the embassies of several other countries in Santiago were apparently also targets for espionage by the security services of the Chilean military government.

Reliable sources have told EFE in Madrid and also reported outside of Spain that the Spanish Government has concrete evidence of the affair. According to these sources, many confidential reports and secret communications exchanged between the Spanish Embassy in Santiago and the Spanish Foreign Ministry in Madrid have fallen into the hands of Chilean intelligence organizations.

EFE has discovered that some of the intelligence material collected by the Chilean security services is dated this year. There are coded documents, some of them secret, that were sent from Santiago to Madrid and also similar documents issued by the Spanish Foreign Ministry that were received at the Spanish Embassy in Santiago.

A spokesman for the Spanish Foreign Ministry told EFE that none of the documents intercepted by the Chilean security services was important. "None of them was much more than wastepaper basket material," he said. The spokesman indicated that the Spanish authorities have been aware of the situation for several weeks and that security measures at the Spanish Embassy have been reinforced.

The Spanish Foreign Ministry has raised the issue with the governments of other countries whose embassies in Santiago have also been subjected to espionage, the spokesman said.

Government: 'No Comment'

PY200341 Madrid EFE in Spanish 0218 GMT 20 Aug 86

[Text] Santiago, 19 Aug (EFE) -- The Chilean military government did not make any declarations today about the news coming from Madrid saying that Chilean security services have allegedly spied on the Spanish Embassy in Santiago. When questioned about this subject, Foreign Ministry spokesman Ambassador Pablo Valdez said: "We cannot make any comment," since no official information has been released on this subject.

Spanish Foreign Ministry sources, who knew about the matter for some weeks, confirmed in Madrid today that some confidential documents of the Spanish Embassy in Santiago had allegedly reached the Chilean intelligence services. The same sources added that apparently other embassies in Santiago -- which they did not identify -- are being watched. They also minimized the importance of the intercepted communications of the Spanish Embassy in Santiago.

These remarks seem to confirm an earlier report delivered to EFE by Chilean exiles in Spain to the effect that the other affected embassies could be those of Uruguay and Venezuela.

The Spanish Embassy in Santiago has declined to comment on reports of the alleged espionage activities carried out against it. In reply to EFE, a Spanish Embassy spokesman said: "No comment." The spokesman did not want to comment on the vulnerability of their security system and declined to confirm or deny reports that in recent weeks security measures have been reinforced at the Spanish Embassy.

"Like any other embassy," the spokesman said, "the Spanish Embassy in Santiago has its own security measures."

Venezuelan Ambassador to Chile Hector Vargas Acosta has also declined to comment on the subject by contending that he had no information on it. An Uruguayan Embassy spokesman gave EFE a similar reply. Like the Venezuelan and Spanish Embassies, the Uruguayan spokesman also minimized the issue.

MERINO DENIES CIA TAPPING, HELMS REPORT

PY191712 Santiago EL MERCURIO in Spanish 8 Aug 86 p C5

[Text] Admiral Jose Toribio Merino yesterday emphatically rejected the possibility that the CIA is tapping the internal communications of the Armed Forces, as reported by U.S. newspapers.

"Nothing of the sort. It is not true. It is a lie," Adm Merino stated.

Adm Merino said this at the end of a special session of the Government Junta, which yesterday approved the Electoral Law. Adm Merino also briefly referred to other issues attracting public attention.

When asked whether he is denying the rumors that the Government Junta has received secret information from Senator Jesse Helms, Adm Merino stated: "Not at all, not at all. He does not know anything about secrets, and neither do I."

Concerning the death of the University of Santiago leader [Mario Martinez], Adm Merino stated that he learned the news from the press.

When asked his opinion on the current situation, Adm Merino stated that "my opinion is that the analysis made some 3 weeks ago on the general guidelines that terrorists will use in the future has concluded that the selective assassination of people would be implemented to produce a split in public opinion over the state's capability to ensure tranquillity."

Opposes U.S. Intervention

PY200331 Santiago Radio Chilena in Spanish 2300 GMT 19 Aug 86

[Excerpts] With regard to the release on bail of the Civic Assembly leaders, Admiral Jose Toribio Merino Castro said, quote, I hope they take advantage of their freedom to organize another protest on 4 September, unquote. Regarding the U.S. intervention in Chile, Merino indicated that President Reagan should not get involved in Chilean affairs. He made these statements during a conversation with reporters in the Diego Portales building. [passage omitted] Admiral Merino rejected the U.S. intervention in Chilean internal affairs. He said the U.S. representatives come here only to observe the situation in Chile.

[Begin recording] [Merino] No one came here to intervene in our affairs. They come here to observe and learn because the information they get apparently is not complete. They take the information they obtain here back with them and then release it to the press there.

[Reporter] President Reagan advocates a peaceful and orderly transition in our country [word indistinct].

[Merino] [Words indistinct] Because President Reagan should not get involved here or tell us what to do. We do things as we like, and we have said this many times.

[Reporter] He advocates a peaceful transition just like the government wants.

[Merino] Well, that is fine [words indistinct] because this is exactly what we are doing. Those who oppose it are the ones who advocate revolution, communism, destruction and all kinds of psychological tension on the population to create chaos. Communism wants chaos because this is where the communists get their power. [end recording]

In conclusion, Merino emphasized that the government and the country strongly oppose U.S. interference in Chilean affairs.

FPMR CLAIMS RESPONSIBILITY FOR KIDNAPPING

PY200317 Madrid EFE in Spanish 0240 GMT 20 Aug 86

[Text] Santiago, 19 Aug (EFE) -- The Marxist group Manuel Rodriguez Patriotic Front (FPMR) tonight claimed responsibility for the kidnapping of Colonel Mario Haberle Rivanedaira.

Three international press agencies including EFE received a phone call giving instructions to go to a place in Santiago where the FPMR had left an envelope containing two written communiques, a picture of the colonel, and the officer's identity card. One of the communiques has an FPMR declaration stating Colonel Haberle's life is at stake if the regime of General Augusto Pinochet does not stop the repression of the people. The other communique is aimed at the Armed Forces, calling on them "to stop repression" and to join the opposition struggle.

POLITICIANS REACT TO PASCAL ALLENDE'S REMARKS

PY192359 Santiago EL MERCURIO in Spanish 10 Aug 86 p C4

[Excerpts] Representatives of various Chilean political parties yesterday categorically rejected the remarks of Andres Pascal Allende, secretary general of the Movement of the Revolutionary Left (MIR).

EL MERCURIO asked the politicians for their opinions about the remarks Pascal Allende made in a clandestine press conference held in Santiago on 8 August. In this press conference, Pascal Allende advocated "armed struggle."

The MIR leader states, "Only a popular uprising will overthrow the dictatorship," and ruled out any dialogue with the Armed Forces and the proposals for social reconciliation, which he labeled, "a blank check for the ruling classes."

Politicians of various leanings agreed that Pascal Allende's remarks contradict the objective of establishing a democratic regime in Chile. [passage omitted]

Radical Party President Enrique Silva Cimma criticized the coverage the news media allots to Pascal Allende's statements, adding: "I would like the media to give the democratic parties, which are struggling for a peaceful return to democracy, the same coverage they allot to the MIR and other similar movements."

He went on to say: "If this clandestine press conference indeed took place, then all I can say is that the remarks are sheer nonsense, the result of total ignorance of Chile's real status quo."

Silva Cimma emphasized: "Our people do not want 'executions,' 'military actions,' 'expropriatory actions,' or 'popular power,' the way they are described in the interview. What the people want is peace, freedom, and democracy. Thus, we are struggling peacefully and abhor violence and terrorism."

Eugenio Ortega, secretary general of the Christian Democratic Party [PCD], categorically stated: "We should not play Mr Pascal's game. It is not suitable to pay attention to someone who is just seeking publicity. The country is well aware of his political irresponsibility and of the immense harm the MIR has done to the Chilean people and to their democratic cause."

Ortega stressed: "General Pinochet has pointed them out as his 'ideal enemies.' He has declared war on them, and by doing so he justifies any outrage."

He stated: "After 20 years they remain a tiny minority that some people want to watch and even promote. Those who advocate violent and armed struggle, like Mr Pascal, end up by going to the other extreme and continue harming the cause of Chile and its people. This cause is none other than the peaceful and urgent return to democracy."

The Christian Democratic leader went on to say: "Certain sectors, which support the government, take advantage of this kind of remark to slander democratic sectors, thus giving rise to an atmosphere that is favorable to polarization and extremism. The true allies of extremism in Chile are the people who block political solutions." [passage omitted]

Armando Jaramillo, president of the Republic Party, also scored the statement of the MIR leader, adding that he "categorically disqualifies them."

Jaramillo said: "Pascal Allende has been out of Chile for a long time and is, therefore, essentially ignorant of the status quo and the aspirations of the Chileans."

He emphasized: "We are in favor of peaceful social mobilization. To speak of popular uprising is tantamount to seeking to plunge the country into an extremely violent confrontation which could only lead to a bloodbath and will justify the current regime and make it stronger."

As to Pascal Allende's remarks about dialogue with the Armed Forces, Jaramillo indicated: "By saying what he did, Pascal Allende confirmed he is totally out of touch with the country's true status quo." Jaramillo concluded by saying: "Any agreement for the return to full democracy will require prior dialogue with the Armed Forces, which, as far as I am concerned, are simply citizens in uniform."

ANALISIS BACK ON STREETS; DIRECTOR STILL IN JAIL

PY192045 Santiago Radio Chilena in Spanish 1700 GMT 19 Aug 86

[Excerpt] ANALISIS magazine is already on the newstands, but its director, Juan Pablo Cardenas, has been in the Capuchinos annex of the Santiago Jail for 21 days.

Maria Olivia Monckeberg, ANALISIS deputy director, has expressed to Radio Chilena her concern over Cardenas' arrest.

[Begin Monckeberg recording] Well, ANALISIS is on the streets again after its 3-week closure. But our director, Juan Pablo Cardenas, has already been in jail for 21 days. He is at the Capuchinos annex of the Santiago jail. We are concerned over the trial process, because last week, on 12 August, we appealed the indictment issued by Judge (?Lionel Beraux). [passage omitted] [end recording]

SOCIAL DEMOCRATIC UNION ISSUES PROPOSAL

PY192226 Santiago LA TERCERA DE LA HORA in Spanish 11 Aug 86 p 6

[All quotations marks as published]

[Text] The Social Democratic Union, [USD], a movement established by a group which recently split from the Social Democracy, "seeks the establishment of full democracy in our country." This is included in a political document entitled "Social Democratic Project" recently issued by this group.

The Social Democratic Union states: "The USD will not only be a political expression which upholds human rights but also one having a deep social content concentrating on the enforcement of all rights of workers because this is the only way for a democracy to be just, stable and permanent." In the document, "the USD expresses its respect for private property, and also the production sector. It adds that property must be used for social purposes. It also notes wealth and labor must also be fair to avoid anarchy as well as all forms of capitalist exploitation." It also upholds: "The concentration of economic power must be avoided because it creates distortions that dangerously interfere in the people's ability to make sovereign decisions."

USD accepts foreign investments which follow national regulations as long as they are limited to the business sector. It refuses to grant privileges to the sectors that are not in keeping with the treatment granted to the Chilean investments.

The USD also promotes the existence of intermediate social organizations and the development of economic organizations resulting from the cooperation and initiatives of workers.

The USD political project also notes: "The unity of the democratic left is a historical imperative and through it we will end those divisions caused by minority sectors."

BARCO ON MILITARY'S ROLE, TIES WITH CUBA

PA191913 Bogota EL TIEMPO in Spanish 14 Aug 86 pp 1-A, 9-A

[By German Acero Espinosa]

[Excerpt] President Virgilio Barco yesterday demanded the Armed Forces' total loyalty and warned the country that he will not be intimidated by the subversive groups that want to spread violence. He also admitted that the possibility of reestablishing relations with Cuba in the future has not been dismissed.

Barco was at the Military Cadet School yesterday for the ceremony in which the Armed Forces recognized the president. Also present were former Presidents Carlos Lleras Restrepo and Julio Cesar Turbay Ayala and several retired generals, including former Defense Minister Miguel Vega Uribe.

The president took advantage of a meeting with the press to confront the Conservatives regarding their constant refusal to participate in the government. He said he has at all times called on the Conservatives to collaborate in his government, but they have preferred a reflective opposition.

In an urgent tone Barco said his government will not apply a "sweeping policy" in administrative positions; he denied rumors regarding the suspension of the work contracts of more than 100 public employees.

Barco made a broad analysis of what the peace process will be within his government, and he explained that for some time he and his advisers have been outlining a strategy that will lead to the country's normalization and institutionalization in such a way that the government can establish peace in the country within a prudent deadline.

Regarding the state of siege, he did not hesitate to say that it could be gradually lifted in some parts of the country, but he clarified that it is not a measure that is currently being studied.

Regarding the reestablishment of diplomatic relations with Cuba, he said that there has been much speculation, to the point where some sectors of the press have said that former President Alfonso Lopez Michelsen and former Minister Jaime Castro were to travel to the island to hasten the process. "Colombia has a pluralist philosophy and maintains relations with many countries. Therefore, given that conditions are adequate, there would be no obstacle in resuming the relations we once had with Cuba," Barco said.

President Barco also attributed the greatest importance to yesterday's ceremony at the Military Cadet School since, he said, the ceremony has a very high meaning for the country's republican institutions, because the Armed Forces defend our sovereignty and democracy.

After receiving top honors from the four military branches, Barco greeted the ranking military officers and requested that the military establishment give his government total loyalty. He stressed the high degree of professionalism that exists within Colombia's military.

Barco said his program to rescue coexistence, peace, and normalcy, which was outlined during his campaign, has found the fundamental pillars for its execution in the military sector.

He insisted that the Colombian Armed Forces have a well-earned stature within Latin America because of their noble virtues and because of their firm adherence to the system of democratic government.

Barco stressed his respect for the Armed Forces and thanked Generals Miguel Vega Uribe, Augusto Moreno Delgado Mallarino, and Augusto Moreno Guerrero and Admiral Tito Garcia Motta for the services they have rendered to the fatherland.

"With the support of these institutions I can aspire to fulfill the government program we have prepared for the good of all Colombians, regardless of party, creed, race, or condition," Barco stressed. [passage omitted]

REBEL LEADER SEEKS ASYLUM IN AUSTRIAN EMBASSY

PA200359 Bogota Television Service in Spanish 0000 GMT 20 Aug 86

[Text] Carlos Jimenez Millan, head of the urban guerrillas in Cali, went to the Austrian Embassy in Bogota today to seek political asylum. The police reported this man as dead after a bloody attack on the house where Absalon Cuadros, Red Cross director from Buga, had been held hostage. Previously, two other guerrillas had asked for political asylum at the Swiss Embassy, but their request was rejected.

ARMY LOCATES CNG HOUSE, WEAPONS IN MEDELLIN

PA150041 Bogota Television Service in Spanish 1730 GMT 14 Aug 86

[Text] The 4th Army Brigade has located a National Guerrilla Coordinating Board [CNG] house in the northeastern sector of Medellin. During a search of some five neighborhoods of Antioquia's capital city, six submachineguns, two carbines, a rifle, five pistols, and a significant amount of ammunition were recovered. Two people were arrested.

CARTAGENA JUDGE ORDERS RELEASE OF OCHOA VASQUEZ

PA161648 Hamburg DPA in Spanish 1523 GMT 16 Aug 86

[Excerpt] Cartagena, 16 Aug (DPA) -- Colombian Jorge Luis Ochoa Vasquez, one of the alleged drug trafficking chiefs most sought by the U.S. authorities, was released by a Cartagena customs court judge after paying a bail of 2 million Colombian pesos (approximately \$10,000).

Ochoa Vasquez, who was extradited from Spain to Colombia a few weeks ago after being held in jail in Madrid for more than 1 year on charges of drug trafficking, had been accused by a Cartagena judge of smuggling 127 bulls for bullfighting.

U.S. authorities believe the Colombian is one of the main chiefs of the drug trafficking between Colombia and the United States.

The Cartagena customs judge ordered the suspension of the 2-year sentence through the payment of bail and ordered that Ochoa Vasquez report every 15 days to the judge's office.

It has been learned that Ochoa Vasquez, who was being held in the "Ternera" jail, automatically obtained his freedom and left the city for an unknown destination. [passage omitted]

PRF HEAD SAYS ARMED STRUGGLE 'LAST CHANCE'

PY200012 Paris AFP in Spanish 2154 GMT 19 Aug 86

[Text] Asuncion, 19 Aug (AFP) -- During a panel discussion hosted by university students today, Febrerista Revolutionary Party (PRF) President Fernando Vera said armed struggle is the last chance to change the current Paraguayan regime into a democracy. The panel focused on the national dialogue being sponsored by the Catholic Church.

The PRF, a party which has abstained from elections despite its legal status, belongs to the National Accord, an opposition coalition. The Christian Democratic Party (PDC), the Authentic Radical Liberal Party (PLRA), and the Colorado Popular Movement (Mopoco) -- all of them outlawed -- are also members of the accord.

If the position of intolerance of the regime, headed by General Alfredo Stroessner, remains unchanged, if the government continues to disregard constitutional rights, and if it refuses to reach an accord with all the political and social sectors, then armed struggle will be the Paraguayan people's last chance to build a democracy, he stressed.

Vera, a retired IMF economist, said the National Accord and the national dialogue are using the same approach in the search for a transition from a totalitarian regime to a system of government guaranteeing freedom and democracy for all.

He recalled that the National Accord demands the state of siege -- which has been in force for 32 years -- be lifted that freedom of assembly, of the press, and expression be respected, and that the existing repressive laws be repealed.

GOVERNMENT BANS FESTIVAL FOR POLITICAL REASONS

PY191909 Asuncion EL DIARIO in Spanish 15 Aug 86 p 47

[Text] At noon yesterday the mayor of Ypacarai sent a note to the president of the Honorable Municipal Council, Juan Carlos Galaverna, and to the commission of the Lake Ypacarai Festival, informing them that the Interior Ministry will not authorize the 16th Lake Ypacarai Festival.

The ministry's decision, contained in the note to the Municipal Council, says: "I hereby notify you and whomever it may concern that this ministry will not authorize the 16th Lake Ypacarai Festival scheduled for 25 August-28 September. This measure has been taken because the program of the festival has been changed to fulfill political ends. Therefore, the festival is suspended until a new disposition is taken." At the end of the note there is a seal and the signature of Interior Minister Sabino A. Montanaro.

National Deputy Luis Becker, a member of the organizing committee of the festival and president of the Ypacarai Colorado Precinct, has said this measure is an attack against culture and: "The festival has not been changed for political reasons, as the note contends. The lake festival is a community effort with roots among the people themselves. To suspend it is to kill culture."

The deputy added that in the festival "there has never been and there is no party politicking. The members of the committee come from all sectors of public opinion."

CONGRESSMEN: CIA INVOLVED IN PIA VESTA CASE

PY191702 Paris AFP in Spanish 1139 GMT 19 Aug 86

[Excerpt] Lima, 19 Aug (AFP) -- Peruvian political circles today hinted that the Danish ship Pia Vesta detained in Panama was reportedly carrying weapons to the Nicaraguan contras in an operation in which the CIA is involved.

Although the Peruvian Government is maintaining absolute secrecy on the investigations conducted so far, congressmen of the ruling party are saying that the GDR weapons found aboard the Pia Vesta were on their way to destabilize democratic governments of the region.

Senator Humberto Carranza, of the ruling APRA [American Popular Revolutionary Alliance] party, has stated that the information gathered so far leads us to deduce that the CIA and other spy organizations that are enemies of democracy are involved in the smuggled weapons found aboard the Pia Vesta.

Before being detained in Panama, the Pia Vesta had anchored off the Peruvian port of El Callao. Congressional circles have discounted the possibility that the arms could have been meant for Peru and that the country was only a stopover on a maritime route whose final objective was to enter the zone where the Nicaraguan guerrillas are operating.

The U.S. daily THE WALL STREET JOURNAL on 18 July reported that a member of the U.S. National Security Council, Lieutenant Colonel Oliver North, provides weapons from the socialist bloc to the contras, and in Lima this has been considered proof of the Pia Vesta's destination.

Without revealing its sources, this week's edition of the magazine CARETAS states that the supply of weapons from Eastern bloc countries to the Nicaraguan contras has sought to create the image of an independent revolution, trying to make believe they are fighting with weapons seized from the enemy.

CARETAS also states that contraband operations of this type become very delicate, because not long ago the U.S. Congress refused to approve funds to the Nicaraguan guerrillas because such an operation involved a contradiction of congressional objectives.

CARETAS adds that the idea of providing weapons from the Eastern bloc to the contras is in keeping with the same principle used by the Soviet Union and Cuba of supplying U.S. weapons captured in Vietnam to the Salvadoran FMLN guerrillas. [passage omitted]

Senate Investigates

PY191634 Lima Television Peruana in Spanish 0100 GMT 19 Aug 86

[Excerpt] The Senate today designated a multiparty committee to investigate the case of the Danish ship Pia Vesta. This decision was made after a secret meeting that lasted more than 4 hours.

Senator Javier Silva Ruette will preside over the multiparty committee, which will investigate everything related to the course, cargo, and destination of the Danish ship Pia Vesta. This was decided during a meeting held in the Senate at which the Foreign Minister Allan Wagner Tizon, Navy Minister Vice Admiral Willy Harm, and Interior Minister Abel Salinas reported.

The secret meeting began at 100 and was presided over by Senator Armando Villanueva del Campo. After the 4-hour meeting, the ministers of state left the Senate without giving further information on the Pia Vesta case. The foreign minister briefly stated that the return of the Peruvian ambassador to the GDR is important because he will provide further information to the Foreign Ministry on this case and on the results of his negotiations in Berlin. He added that the investigations are continuing.

MINISTER HUAYTA COMMENTS ON IMF DECISION

PY190400 Madrid EFE in Spanish 0220 GMT 18 Aug 86

[Text] Lima, 17 Aug (EFE) -- Peruvian Energy and Mines Minister Wilfredo Huayta today said in Lima that Peru "is not alone," because "fresh new" dollars are being invested in the country.

Huayta added that among the investments is \$400 million the U.S. Occidental Petroleum company will assign to developing its oil fields in the Peruvian jungle zone.

He also mentioned a \$40-million credit from Brazilian banks for an energy development project, and \$60 million from the Nordic countries for a project in the northern department of Lambayeque.

The minister referred to those investments when commenting on the IMF decision to declare Peru ineligible for new credits, and added that, "the IMF will not make our country yield through that decision."

Huayta said the situation created by the IMF declaration "is difficult and worrying, but not alarming."

IGLESIAS PRAISES TRADE WITH BRAZIL

PY191937 Paris AFP in Spanish 2220 GMT 18 Aug 86

[Text] Montevideo, 18 Aug (AFP) -- Foreign Minister Enrique Iglesias today said that in the future Uruguay will have a security cushion for its exports after signing several agreements with Brazil allowing Uruguay to market a good part of its agricultural produce there.

The minister, who participated with President Julio Sanguinetti in a 1-week official visit to Brazil, said the visit was historic and the two countries had fortified dialogue and understanding.

Following last week's agreements, Uruguay can place 60 percent of its rice production and 50 percent of its meat production in the Brazilian market.

I think the country has attained an old objective, which is to have a security cushion for agriculture, Iglesias said.

The agreements between Brazil and Uruguay were signed some weeks after Brazilian President Jose Sarney and Argentine President Raul Alfonsin signed in Buenos Aires a number of integration agreements with the aim of forming a subregional common market in a short period of time.

All this is part of the desire to achieve a closer relationship among the three countries, said the Uruguayan Foreign Minister.

COLORADOS WILLING TO GRANT AMNESTY TO MILITARY

PY200133 Madrid EFE in Spanish 0350 GMT 19 Aug 86

[Text] Montevideo, 18 Aug (EFE) -- The Uruguayan ruling Colorado Party today decided "to assume its responsibility" and "work for peace" to promote amnesty for members of the military who violated human rights during the "de facto" government (1973-1985).

The "Colorados" claim that as the "Tupamaro" guerrillas were granted amnesty shortly after the democratic government came to power, pardon must also be extended -- for the sake of justice -- to those who fought against the guerrillas.

The left and a sector of the main opposition National (Blanco) party refuse to grant amnesty, thus creating a conflict 18 months after the reestablishment of democracy in the country.

After a lengthy meeting between President Julio Maria Sanguinetti and the main leaders of the ruling Colorado party, an agreement was reached to immediately promote a bill to resolve the situation.

The decision was made after no negotiated solution was reached with the opposition parties who are demanding an investigation of the cases of human rights violations and punishment for those responsible.

The public discussion of the subject has caused uneasiness in sectors of the left and in retired military groups whose main officers were on active participation during the "de facto" period.

In this regard, Senator Manuel Flores Silva stated that in Uruguay "there are no good or bad tombs," referring to violations of human rights by subversives and those who fought against them.

Flores Silva added: "The time has come to assume responsibilities," and to open the doors "to all parties." He added: "The country will decide who is capable of making the difficult decisions and who is not."

He said the "12 years of illegality" have followed an internal war born from the terrorist movements.

Flores Silva stated we are living through a period of transition "and here we must look toward the future, and the solution cannot suppose that the deceased will rise and fight each other."

FRENCH OFFICIAL SUPPORTS CONTADORA, MEETS LUSINCHI

PA192002 Paris AFP in Spanish 1844 GMT 19 Aug 86

[Text] Caracas, 19 Aug (AFP) -- Didier Bariani, the French secretary of state for foreign affairs, today in Caracas criticized the lack of sufficient liberties in Nicaragua. He asked that the country "not enclose itself in an ideological position" and reiterated France's support for the peace-making effort being made by the Contadora Group (Mexico, Colombia, Panama, and Venezuela) in Central America.

Bariani, who is on a political tour of Latin America, visited Colombia and the Dominican Republic and will travel to Peru. He was received today by Venezuelan Social Democratic President Jaime Lusinchi. Bariani admitted that there could be "people discouraged by the lack of immediate results" in the Contadora effort, but he reiterated France's support for the quadripartite group.

"We believe that the dialogue through Contadora must continue; otherwise, if there were a political void, it could increase the confrontation and violence on the Latin American continent," he added. Asked about the possible "death" of Contadora, the diplomat said: "It is enough to say that during the inauguration of Colombian President Barco the members of the Contadora Group and the Support Group (Argentina, Brazil, Uruguay, and Peru) decided to continue their efforts."

"I must also say," Bariani pointed out, "that the developments in Nicaragua have not been satisfactory. The difficulties we see in that country, the fact that freedom of press as well as personal and political liberties are increasingly repressed, complicates things very much."

"In Bogota I had the opportunity to speak to some of the Latin American presidents. They are all against violence, against a military solution. What is needed is a common political will that will lead us all to make Nicaragua understand that enclosing itself in an ideological position, as it is doing, will not lead anywhere," he added.

Bariani said France is willing to help the Central American countries in the struggle against poverty and to ensure peace. The secretary of state made these statements after meeting with the Venezuelan president. After describing the meeting as "the most interesting I have had during my entire Latin American tour," he said that "the French point of view is identical to the Venezuelan president's."

With Lusinchi he also discussed the common concern over the struggle against drug trafficking and French interest in participating in a program of infrastructural projects in Venezuela that will cost \$4 billion in 3 years. He also expressed satisfaction over the selection of French technology for the Caracas subway system.

CONGRESS PRESIDENT SUGGESTS GOVERNMENT PROGRAM

PA191422 Caracas EL UNIVERSAL in Spanish 11 Aug 86 p 1-13

[Letter sent by Leonardo Ferrer, president of the National Congress, to President Jaime Lusinchi, dated 6 August]

[Excerpts] I am deeply concerned about the social and economic situation that our country has been facing during these last few years and the lack of any apparent means to recover the optimism common to Venezuelans.

I have stressed through various channels -- lectures, speeches, articles, and books -- the need to speedily overcome the current backward situation and replace it with a grand national program in which each of us will play a corresponding role. This type of program is needed not only in Venezuela, but throughout the world.

The foreign debt, which has reached \$1 billion [figure as published] in underdeveloped countries, has become the main topic of interest throughout the world. Of this huge foreign debt, \$360 billion is Latin American. Venezuela owes a little more than 10 percent of this sum.

The precarious stability of international economics and finance is becoming worse. In view of the underdeveloped countries' inability to pay their foreign debt, the industrialized countries seek various formulas to collect their debts, through severe measures in the indebted countries' national programs and negotiations to defer payments on capital. Together with these formulas, they are conducting financial juggling to ensure the payments of interest and to avoid stoppage of payments, which would mean losses to the banks that made the loans.

Making great efforts, Latin American countries have adopted these measures for several years, with very disappointing results. [passage omitted]

The results have been: reduced production and income; reduced participation in international trade with the corresponding loss of foreign exchange; reduced income, mainly from oil; massive capital drain; reduced imports, including basic products; increased foreign debt; rampant unemployment; and idle machinery. Latin America cannot cope with this situation much longer.

Our guide for a new era on our continent should be a better form of life compatible with current technological advances and not based on unattainable goals of yesteryear. [passage omitted]

We should immediately strive for increased trade between Latin America and the industrialized countries.

If Latin America enjoyed a self-sustaining development, it would be possible to conduct viable refinancing agreements. We should also seek other solutions to be put into effect immediately to overcome backwardness: a) conversion of the foreign debt to capital; b) "institutionalized involuntary loans" by the creditor banks in view of the crisis and the need for fresh capital to aid recovering lost growth indexes; and c) acceptance by the creditor banks of payment of capital and part of the interest in local currency by countries with monetary stability.

This strategy, with the vote of confidence by the creditor banks, could mean the beginning of a new and more just international economic order. [passage omitted]

Let us demand sacrifices, beginning with ourselves, so that we can conduct a great national program to overcome backwardness, recover lost time, with a renewed confidence, which we should have never lost. It is then that democracy can be better served.

Otherwise, why make sacrifices?

Sincerely yours,

Leonardo Ferrer, president, Chamber of Deputies

SECRETARIAT CONFIRMS RECEIPT OF U.S. PROTEST NOTE

FL191138 Mexico City NOTIMEX in Spanish 0355 GMT 19 Aug 86

[Text] Mexico City, 18 Aug (NOTIMEX) -- The Foreign Secretariat has confirmed that the U.S. embassy in Mexico has delivered a diplomatic note in connection with the case of U.S. antinarcotics agent Victor Cortes, Jr.

The Secretariat added that the note was turned over to the attorney general's office for investigation. The U.S. diplomatic mission was informed of the action.

VISITING ROMANIAN AMBASSADOR ON DISARMAMENT

FL200142 Mexico City NOTIMEX in Spanish 2343 GMT 19 Aug 86

[Text] Mexico City, 19 Aug (NOTIMEX) -- The Romanian Ambassador to Mexico, Constantin Babalau, has noted the urgent need for undertaking a program of general disarmament which would include chemical and conventional weapons, troops and military expenditures. As he inaugurated Romania Week at the National Autonomous University of Mexico [UNAM] in commemoration of the 42d anniversary of the Romanian revolution, he said that responsibility for achieving an international treaty on space belongs to the United Nations. He said one of the main goals of Romania's foreign policy is directed at the struggle for the defense of peace and the right to life, which is the most important right. He added that his compatriots actively defend the program of nuclear disarmament and a ban on nuclear tests.

Finally, he said Romanian-Mexican relations, which were established 100 years ago, have been developing continuously. Proof of this is Roman Week, which has been held at the UNAM yearly in coordination with the Romanian-Mexican Friendship Association and the Romanian embassy.

BRIEFS

ANTINARCOTICS CAMPAIGN -- The Federal Judiciary Police have destroyed over 7 million marijuana plants that were growing in 120 hectares of land. The action is the result of the first days of "Operation Pacific Seven" that is taking place in Sonora, Sinaloa, Durango, and Chihuahua States. It was also reported that, so far this year, the campaign against narcotics trafficking has resulted in the destruction of over 10,000 marijuana plantations -- about 60 million plants -- the seizure of over 57 tons of marijuana ready for marketing; destruction of over 16,000 poppy plantations; the seizure of 4,800 kg of pure cocaine; and the arrests of over 5,000 alleged traffickers, all of which surpasses the achievements of the last 10 years. [Summary] [Mexico City XEW Television Network in Spanish 1300 GMT 19 Aug 86 PA]

NAVY BURNS CONFISCATED COCAINE -- In the presence of Attorney General Sergio Garcia Ramirez and Secretary of the Navy Admiral Miguel Angel Gomez Ortega, the Mexican Navy has burned 233 kg of cocaine in Colina. The drug was recently confiscated at Playa de Oro Airport in Manzanillo. It was being transported in a U.S.-licensed turbo plane. The two officials signed a document to certify that the drug was destroyed. [Summary] [Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 19 Aug 86 PA]

PALA DEMANDS COMPLIANCE WITH UNADE PACTS

PA191557 Panama City Circuito RPC Television Service in Spanish 2300 GMT 18 Aug 86

[Communique issued by the corregimiento representatives, councilmen, and mayors of the Panamanian Labor Party, PALA; place and date not given]

[Text.] The corregimiento representatives, councilmen, and mayors of the PALA who met in a general assembly feel the need to make the following statement addressing the country and the parties within the National Democratic Union, [UNADE]:

1. During the 1984 elections, the political parties that supported a process of change in our country founded the coalition called UNADE which won the elections that brought the current government to power and which constitutes the support of the national government;
2. Included among the necessary and natural political agreements which the diverse executive committees of the PRD [Democratic Revolutionary Party], PALA, Republican Party, and Liberal Party made even before the 1984 electoral victory to create the UNADE and to conduct a coherent political action and maintain the effectiveness of government actions, it was agreed that the party that obtained the highest number of votes would appoint the president of the Legislative Assembly; the party that came in second would appoint the first vice president; and the other parties included in the UNADE would appoint the second vice president on a rotational basis;
3. Therefore, our party's legislative bloc is entitled to hold the first vice presidency of the legislative branch, a post which our legislators have occupied in an outstanding manner since 1984;
4. At all times, PALA has firmly and decisively been at the forefront of the nation's political developments, something which the UNADE has fully realized every time our participation has been needed, as we have completely fulfilled our duties in the government's actions;
5. Behaving irresponsibly, certain persons want to fulfill their personal ambitions by trying to take the first vice presidency of Legislative Assembly from the PALA, although they fully know that with this action they are playing into the hands of the opposition which is constantly trying to destroy unity within the UNADE;
6. In view of this attitude which is neither serious nor honorable but rather politically harmful on the part of people who allegedly want to maintain a political alliance with us, we urge our party's Executive Committee members to determine who our true allies are and who are those who make agreements and later try to cunningly betray them;
7. We inform the country and our UNADE brothers that we will fulfill our political commitments solely inasmuch as the other UNADE members respect them, and that if there is a political party that thinks that it can win the next elections by itself, we will surely accept the path its members choose.
8. We declare that if during the current legislative period there is an incident of betrayal, we will ask the PALA's organizations to provide the appropriate response;
9. We demand that President Eric Arturo Delvalle, as president of the UNADE and guarantor of the pacts which support the popular, democratic, and nationalist government he heads, preserve at all cost the unity and continuation of government actions for the sake of all Panamanians.

COSTA RICAARIAS COMMENTS ON HUMAN RIGHTS, ICJ SUIT

PA191555 San Jose Radio Reloj in Spanish 1200 GMT 19 Aug 86

[Excerpt] President Oscar Arias has said that the country is not part of the Central American conflict, although he admitted that the region's crisis forms part of our problems. The president said this yesterday when inaugurating the fourth course on human rights organized by the Inter-American Human Rights Institute. Arias told the participants, many of them Latin Americans, that Costa Rica practices neutrality because it believes in the rule of law and not force. President Arias said: We struggle for the political resolution of disagreements among nations. This is so, he added, because we act consistently with the pacifist tradition of our first president, who was a teacher and not a general.

In his speech, Arias referred to the suit filed by Nicaragua against Costa Rica at the International Court of Justice, stating that the country will go there to prove Costa Rica's innocence. According to Arias, Costa Rica has a firm duty to carry out a crusade for human rights. He added that Costa Rica has opted for integral peace, one of the most important pillars of which is human rights. President Arias commented: We are aware of the political responsibility we have in Central America, and we struggle for peace with the resources that we have for the promotion of human rights, legality, and civility.

We Costa Ricans are convinced that the path of integral peace will make us a world power in the area of human rights, President Arias said. He added: We still have some way to go to achieve this, even though we feel satisfied with the implementation of civil and political rights, although not with the economic, cultural, and social rights. He concluded by vowing to struggle so that disagreements will be resolved by reason and not by weapons. [passage omitted]

FDR'S VILLACORTA ON GOALS OF PREDIALOGUE MEETING

PA192355 Paris AFP in Spanish 2253 GMT 19 Aug 86

[Text] Mexico City, 19 Aug (AFP) -- Jorge Villacorta, the FDR delegate to the meeting with Salvadoran Government representatives, has told AFP that the meeting that representatives of the government and the Salvadoran guerrillas will begin in Mexico on 20 August will be "secret" and may last "1/2 hour, 1 day, or 1 week."

"All I can tell you is that it will not be held at our country's embassy" as originally proposed by the Napoleon Duarte administration, stressed Villacorta, an agronomist who was Salvadoran deputy minister of agriculture in 1979. He added: By agreement with the Mexican Government, "which will guarantee security, we will meet somewhere in Mexico at 0900 on Wednesday."

The leader, who was a member of the Christian Democratic Party until 1980 when he joined the FDR, noted that the preparation for the dialogue, which was suspended 2 years ago, "could possibly end on 26 August, but that is a tentative date."

The truth is that "we do not know when the meeting will end, because we do not know what proposals will be made or the negotiation capacity that the Salvadoran Government representatives have," emphasized Villacorta, who will attend the meeting with Salvador Samayoa, the FMLN delegate.

Once the meeting is over, he said, "we will try to reach an agreement with the other party as to how we will announce its results to the media,"

According to reports from San Salvador, which were not confirmed by Villacorta, the two sides will negotiate an exchange of prisoners in Mexico, which would result in the release of Colonel Omar Napoleon Avalos, captured by the FMLN in 1985, and an undetermined number of union members and members of humanitarian organizations.

The FMLN-FDR, the FDR leader stressed, "will participate with a constructive attitude and with responsibility and awareness of the need to promote the right framework so that the third dialogue can be held in El Salvador at the highest level." One of the proposals to be made by the guerrilla representatives will be "to agree on a military truce" during the third dialogue, the leader noted.

In addition, he said: "We must leave Mexico with an agreement as to the place, date, security conditions, and guarantees for the participation of various national sectors" affected or involved in the Salvadoran conflict. According to Villacorta, it is essential that "at the third dialogue we reaffirm our commitment to achieve a political solution through concrete actions that give continuity to the talks."

Villacorta added that the goals the FMLN-FDR will seek at the meeting that will reportedly be held in El Salvador include "the humanization of the war" through agreements to improve the conditions of the affected civilian population and the people being held by both sides.

"We do not intend to obtain a magic solution; we all know that a single round of talks is not enough," he stressed. "But we are convinced," he concluded, "that if the two sides are capable of reaching an agreement on a continuing dialogue, then an overall solution can be found in the relatively near future."

Vice President and Foreign Minister Rodolfo Castillo, Culture and Communications Minister Adolfo Rey Prendes, and Ricardo Soriano, leader of the progovernment National Worker-Peasant Union, will attend the preparatory meeting on behalf of the Salvadoran Government.

Managua Airls FMLN-FDR Communique

PA200415 Managua Domestic Service in Spanish 0305 GMT 20 Aug 86

[Text] In a communique released here [not further identified], the FMLN-FDR has stated that it will go to Mexico with the spirit of creating the best framework for the third round of talks. Our delegates will participate at this preparatory meeting with a constructive spirit and with responsibility, the communique states. It adds that the FMLN-FDR will propose to the Salvadoran Government a military truce during the time that the official meeting is being held in San Salvador.

According to the communique, the FMLN-FDR believes it is necessary for the opposing sides to reaffirm their commitment to achieve a political solution to the war and undertake specific steps to give continuity to the talks. The fronts also state that the negotiated solution involves the entire Salvadoran society, that it is necessary to incorporate the various sectors in the efforts for peace and that this must begin with the presence of observers at the third round of talks.

Officials Arrive in Mexico

PA192134 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 19 Aug 86

[Report by Jorge Tenorio]

[Text] Adolfo Rey Prendes, culture and communications minister, and San Salvador Archbishop Arturo Rivera y Damas arrived in Mexico City today. They will meet with FMLN and FDR representatives to talk about the Salvadoran conflict. The two men arrived on a TACA international flight. They were escorted to two cars as soon as they arrived, so reporters could not approach them. Deputy Foreign Minister Ricardo Acevedo was on the same flight; he explained why the meeting is being held in Mexico:

[Begin recording] Mexico is known for its hospitality and desire to promote a climate of peace in Central America. Mexico is a member of the Contadora Group and represents an important element in the peacemaking efforts in the Central American area. [end recording]

The Salvadoran deputy foreign minister said that the meeting between his government's representatives and the armed movement is proof that the dialogue is the best way to achieve peace.

Talks Reportedly Begin 19 Aug

PA200424 Mexico City Red Nacional 13 Imevision Television in Spanish 0302 GMT 20 Aug 86

[Text] This afternoon in Mexico City talks began between the representatives of the Salvadoran rebels and the Salvadoran Government. The beginning of the talks, planned for tomorrow, was moved up. The meeting is not being held at the Salvadoran Embassy in Mexico but at a private place.

The Salvadoran Church, represented by Bishop Arturo Rivera y Damas, is also participating in the talks, in addition to the government and the rebels. The meeting is aimed at finding possible agreements to resolve the serious internal crisis which has afflicted El Salvador for years.

FMLN CLAIMS HELICOPTER 'NET' DESTROYED AIRCRAFT

PA190439 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Aug 86

[Text] Attention, attention all our people. We will reveal how we downed a helicopter in Morazan Department on 16 August. Please pay much attention.

We will save headaches and more investigations by U.S. technicians, who on 18 August were carrying, suspended in midair, the wreckage of the downed helicopter which they were taking to investigate. We will let you know how our forces killed two pilots and other personnel in the downed aircraft. We will let you know how we downed this costly war weapon, this product of U.S. technology, with which they expected to halt the FMLN advance.

The UH-1H helicopter of the puppet Air Force which, together with another 24 helicopters, was taking part in this disastrous enemy operation in Morazan, was downed in the following manner: It was not downed with sophisticated antiaircraft weapons. It was not downed with our machineguns. It was not downed with our rifles. It was downed with a people's weapon. It was downed with a people's helicopter trap. Let us save [words indistinct] does not have to be spent thinking how we did it.

This helicopter of the Bustillos Air Force was downed Saturday in the northern zone of Morazan with a cable net placed between two high points. We repeat. We downed it with a net made with cables placed between two high points in these mountains of Morazan. This one and many other people's weapons have been placed all over Morazan Department by our forces. There is absolutely nothing that can overcome these people's weapons. They are simple weapons. Any Salvadoran can build them, and there is no power in the world that can fight against these mortal traps for enemy aviation.

On 16 August an enemy helicopter was downed in Morazan with a simple net of cables placed between two high points. These are weapons built by our people, with their ingenuity, with their creativity. It is the humiliation of a just cause imposed against the military power of foreigners who think they can dominate us.

Unlike the Somozists, the Salvadoran people do not need \$100 million to destroy imperialist plans or down their war apparatus. The hands of peasants and workers, their infinite [word indistinct] capacity, [word indistinct] the fatherland. Their high conscience is sufficient to defeat Ronald Reagan's plans in El Salvador and three more like him. Celebrating this victory against [words indistinct], the imperialist war technology, we call on our fighters and all the people to continue applying with creativity all antiaircraft war tactics.

The same way we disarm and defeat them on land, we are defeating them in the air! Let the Salvadoran sky be for the birds! With people's arms, to convert each enemy helicopter in a [words indistinct].

VENCEREMOS LINKS BLANDON, PIA VESTA SHIPMENT

PA191738 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Aug 86

[Text] General Adolfo Onecifero Blandon [chairman of the Joint Chiefs of Staff] took a chance, but his venture backfired. What Radio Venceremos said a few days ago regarding the drunkard Blandon's implication in the already famous case of the Danish ship Pia Vesta is coming to light. It is no secret for our people that these [word indistinct] personages of the High Command and other Christian Democratic leaders, with Duarte at the head, act in accordance with Washington's and the CIA's murkiest intentions. However, our people have yet to know how the CIA pulls the puppet's strings, how it carries out its covert plans and terrorist operations.

Finally the drunkard and ill-named Gen Blandon is showing his real self, involved in one of those mysterious and entangled operations typical of the CIA so that war materiel can reach the desperate Nicaraguan contras. The operation was a real maze: The ship was to sail from East Germany, pass through Panama, make a stop in Peru, return to Panama, and finally unload the shipment in El Salvador. There, supposedly with a masterly move by the now proficient Gen Blandon, the shipment would be sent to the contras in Honduras.

As we may recall, the Panamanian Government, in coordination with the Peruvian Government and Alan Garcia himself learned of the ship's suspicious movements and foiled the CIA plans. The vessel was seized in Panama on Panamanian General Manuel Noriega's orders, and the shipment was discovered. Blandon's colleague, trafficker David Duncan disclosed the plans in Miami, admitting that the shipment valued at \$11 million was destined for the port of Acajutla, where the cargo would be delivered by the Salvadoran High Command to their Somozist buddies, as part of Reagan's \$100 million for the contras.

Panamanian security intercepted communications between the gangsters which revealed that the shipment had sailed with two bills of lading: an original dated 29 April, which showed El Salvador as the final destination, and a dummy dated 30 April, indicating consignment to the Peruvian Armed Forces, which was clearly aimed at involving the Peruvian Government in the transaction.

Our people are not really interested in the CIA's intrigues and trickery but find it interesting to learn that the drunkard, and imperialism's (?plan) have failed once again. What did these men expect? Do they believe we are still in the days when the Yankees could move freely throughout the continent and do whatever they pleased with impunity? Perhaps they believe we are still in the days of pirates and filibusters, forgetting that Augusto Cesar Sandino, the general of free men, eradicated them long ago. The CIA is very mistaken, and [words indistinct] Gen Blandon also. The time for Latin America's dignity has arrived. Now there are vigilant eyes everywhere, such as Alan Garcia's in Peru and Gen Noriega's in Panama, and these eyes are alert to ensure respect for the dignity of our seas and borders and for our sacred sovereignty. These eyes -- which multiply each day -- will detect the turncoats and disclose those who throw shame on Latin America: the Blandons, the Duartes, or the Azcona Hoyos.

Today, while imperialism and the High Command blunder about, our people and the Nicaraguan people firmly advance, defeating imperialism's plans.

Castillo Rejects Charges

PA192205 Panama City ACAN in Spanish 2059 GMT 19 Aug 86

[Text] San Salvador, 19 Aug (ACAN-EFE) -- The Salvadoran Government today denied that the arms shipment aboard the Pia Vesta was destined for El Salvador.

In remarks to a government radio station, Vice President and Foreign Minister Rodolfo Castillo Claramount asserted: "The legitimate Salvadoran Government does not have to resort to subterfuge or piracy, much less contraband of any sort."

The merchant ship Pia Vesta was detained in Panamanian waters with an illegal shipment of 32 IFA trucks and 3,000 light weapons, including AK-47 rifles and RPG-18 rocket launchers. All of these weapons are Soviet-designed and manufactured in the GDR.

Last weekend the progovernment Panamanian newspaper LA REPUBLICA reported that the shipment was destined for General Adolfo Blandon, chief of staff of the Salvadoran Army. Castillo Claramount bluntly stated: "Regarding this, there is no official involvement in this matter, just as there is no institutional, governmental, or military involvement."

He added: "The Salvadoran Government does not have to resort to contraband or shady dealings."

Gen Blandon flatly denied yesterday that the shipment was for him. He also said: "It would be illogical for Russian weapons to be destined for El Salvador, because we uphold democracy."

COLONEL SAYS REBEL EFFORTS IN WEST FAILURE

PA191952 Panama City ACAN in Spanish 1845 GMT 19 Aug 86

[By Ricardo Chacon]

[Excerpts] San Salvador, 19 Aug (ACAN-EFE) -- A high-ranking Salvadoran military chief said today that the guerrilla strategy of covering the country with small units has failed in the western region, the least strife-torn, because the population does not support the rebels.

Colonel Oscar Casanova Vejar, commander of the 2d Infantry headquartered in the western Santa Ana Department, told ACAN-EFE: "The guerrillas are losing the war and are experiencing a period of contraction, not expansion."

"The Salvadoran guerrillas can say anything, they can say that they are everywhere in the national territory, but I can assure you that they have been unable to enter the west," the officer added. [passage omitted]

The highest ranking officer in the western region said: "For the past 2 years the guerrillas have tried to enter this region, but the people and the constant action of the military have prevented them from doing so."

"In this work," Col Casanova Vejar said, "the civilian population has played an essential role. we believe that without the support of the people we would have been unable to stop the guerrillas from spreading."

According to Casanova Vejar, there are currently 144 requests in the western region for joint projects between the Army and the civilian population. "In general, we are winning the war; the guerrillas are losing a lot of people; there are increasing desertions; and they have been unable to spread," Col Casanova Vajar noted emphatically. [passage omitted]

Col Casanova Vejar also expressed enthusiasm about the reactivation of the Central American Defense Council (Condeca), which was founded in the 1960's under the sponsorship of Nicaraguan dictator Anastasio Somoza as an attempt to fight communism.

"It is extremely interesting that the nations of the Central American isthmus are reactivating Condeca, and in this way they will be able to give a united reply to political and military problems." The officer stated that Nicaragua can also participate in the reactivation of Condeca, because "the day is not far when the Sandinists will have to get out of Nicaragua, and then we will be perfectly able to include that country."

GUATEMALA

GUATEMALA, UK RESUME CONSULAR RELATIONS

PA192222 Paris AFP in Spanish 2113 GMT 19 Aug 86

[Excerpt] Guatemala City, 19 Aug (AFP) -- The Governments of Guatemala and Great Britain resumed consular relations today following a 5-year break in relations caused by the territorial conflict over Belize. Guatemalans have yet to recognize Belize's independence.

The Foreign Ministry issued a communique this morning reporting the resumption of relations. It stressed that Guatemala hopes Great Britain "will help in the search for a negotiated solution" to the dispute over Belize. Guatemala broke all relations with the British in 1981 after Belize's independence was officially proclaimed without a settlement being reached with the Guatemalan Government, which has claimed that territory for the past century.

The new Guatemalan Constitution includes the possibility of a popular referendum, thus making the Guatemalan position more flexible in the face of possible negotiations on recognizing what would be the sixth nation in the Central American isthmus.

The Christian Democratic administration has shown a willingness to negotiate a "real but just solution" to this conflict. Diplomatic circles have interpreted this as a sign that the possibility of recognizing Belize exists, so as long as an agreement is reached first.

The text of the agreement marking the beginning of a new stage in the bilateral relations was published in London and Guatemala City.

Guatemala maintains that any negotiation should be through the British, while Belize and Great Britain believe this must take place directly between Belizeans and Guatemalans. [passage omitted]

BRIEFS

HEROIN, COCAINE SEIZED -- Police today confiscated heroin and cocaine worth \$2 million and arrested presumed drug trafficker Melvin Roberto Vargas Gonzalez, a Guatemalan citizen. According to the official report, the drugs were brought from Colombia in a suitcase. Vargas Gonzalez crossed the Honduran border by land through Agua Caliente municipality, where he was arrested. [Excerpts] [Guatemala City Radio-Television Guatemala in Spanish 1740 GMT 19 Aug 86 PA]

NICARAGUARAMIREZ PRESENTS C.A. ECONOMIC COOPERATION PLAN

PA200022 Managua Radio Sandino in Spanish 1930 GMT 19 Aug 86

[Text] This morning Vice President Sergio Ramirez Mercado inaugurated the meeting of Central American foreign trade ministers and central bank presidents, who will discuss a way to speed up and revitalize the trade of the area countries.

At the inauguration of the event, which is being held at the Cesar Augusto Silva Convention Center, the vice president made a proposal to the other Central American representatives to speed up industrial and commercial development, as well as financing for the Central American Bank of Economic Integration [BCIE].

The seven points proposed by Ramirez included the joint negotiation of Central American export products to get better prices and a joint search for new markets, including those of socialist countries. Regarding this, Nicaragua offered its assistance because of its experience in dealing with these markets since the triumph of the revolution.

The Nicaraguan vice president highlighted the importance of the meeting and called it another mechanism in the search for peace in Central America. He also mentioned the Chicago proposal presented by Nicaraguan President Daniel Ortega during his recent visit to the United States.

[Begin Ramirez recording] To the Nicaraguan Government, peace is essential for development, just as certain contributions -- such as this meeting -- are beneficial for development and strengthen the idea that we must advance in our path to peace.

The Nicaraguan Government feels that very close and effective economic cooperation among the Central American countries more necessary than ever, regardless of how difficult the present circumstances are.

If our wish is to achieve peace and a lasting coexistence in the long term, then economic cooperation and the reactivation of regional integration can become a decisive factor in this struggle for peace.

Regarding this, my government proposes to the other Central American governments that you represent, the following plan that will put us in a position to increase our strength vis-a-vis international economic cooperation to find ways to make the crisis more bearable or to overcome it, because it is a crisis that is seriously affecting our countries. Nicaragua proposes:

1. That, in view of the upcoming meeting between the Central American countries and the EEC countries to be held in Guatemala in January at the foreign minister level, we should draft a Central American proposal for cooperation, perhaps for the medium and long terms. This proposal should include the financing of industrial production so it can operate at a maximum capacity and result in the resumption of trade among the countries of the region. This proposal should also include a technological updating of Central American industry, which should be financed in the same way. [sentence as heard]

2. That the Central American countries should prepare joint proposals for the financing of capital for the BCIE. These proposals should be made to EEC, the multilateral credit organizations, and the bilateral credit organizations. In this way, the BCIE can meet the demand for credits to reactivate production and exports from the countries of the region to other markets. In this way, the BCIE can also help in the regional trade.
3. That, by common agreement, the Central American countries should present proposals for preferential treatment for the exportation of our products to markets whose access is barred to us. This effort must become a permanent political action promoted by all.
4. That when the time comes the Central American countries should present joint positions to negotiate the prices of our traditional exports -- such as the case of coffee at the International Coffee Organization -- as a way to defend our balance of payments and our exports in the face of the dangers affecting these prices which are on the verge of collapse.
5. That new markets for Central American products be jointly explored. Regarding this, Nicaragua can offer its experience with the new markets it has had access to since the revolutionary triumph. These markets include those of socialist countries.
6. That we carry out joint projects for the exploitation of our resources, especially the sea resources in border areas.
7. That we speed up the regional trade. For this, Nicaragua is willing to support the draft document on Central American import rights which will be discussed at this meeting.

To conclude, Messrs Ministers and Presidents, on behalf of my government I want to reiterate this fraternal and friendly greeting and welcome you to our fatherland and to wish you success in this meeting. Finally, I want to declare this work session opened. Thank you. [applause]

GOVERNMENT HOPES TO MEET CHURCH LEADERS SOON

PA200051 Managua EL NUEVO DIARIO in Spanish 19 Aug 86 p 8

[Text] Nicaraguan Vice President Sergio Ramirez Mercado said yesterday that a dialogue with the church hierarchy has been proposed and that the government is hoping this dialogue will be held as soon as possible.

Vice President Ramirez did not respond to a question on whether the issue of the return of Msgr Vega and Msgr Carballo to the country and the reopening of Radio Catolica will be on the agenda. According to Cardinal Obando y Bravo, these issues will be brought up by the hierarchy.

"The meeting must be prepared, and for this we have a permanent liaison committee between the church and the government. I do not know what issues will be included on the agenda," Ramirez said.

However, Ramirez said the church hierarchy is willing to attend the dialogue which has been proposed by the government. This meeting will be held after President Daniel Ortega returns to Nicaragua.

Vice President Ramirez visited the offices of the Labor Ministry yesterday to see the condition of these installations. The Labor Ministry is located in an old building that must be repaired. Ramirez reportedly met with the minister and other officials.

7 CIVILIANS KILLED IN REPORTED CONTRA AMBUSH

PA191424 Managua Radio Sandino in Spanish 1200 GMT 19 Aug 86

[Text] The \$100 million that the U.S. Senate approved for the Reagan administration mercenaries claimed its first victims in Region 1 in the Las Segovia area. Seven people were killed and three wounded in the criminal ambush carried out yesterday by a group of counterrevolutionaries against a civilian vehicle taking food to the community of (Guanos), 7 km from San Juan del Rio Coco, Madriz Department.

According to reports by Esteli's Radio Liberacion, which cited military sources, the vehicle hit three mines placed by the terrorists in the place known as (El Guano) and after the explosions the mercenaries machine-gunned the occupants of the vehicle.

BOS DELEGATES BEGIN CONGRESS IN SAN JOSE

PA170253 Paris AFP in Spanish 2040 GMT 16 Aug 86

[Text] San Jose, 16 Aug (AFP) -- The Southern Opposition Bloc, BOS, an organization fighting the Sandinist government, initiated its first congress in this capital today to choose its leaders and outline proposals for a future government in Nicaragua.

A total of 74 delegates of the BOS groups -- the Movement for Recovery [Movimiento de Rescate], ARDE, Nicaraguan Professionals in Exile [Profesionales Nicaraguenses en El Exilio], and the Social Christian Movement in Exile [Movimiento Social Cristiano en El Exilio] -- 35 observers from non-BOS Nicaraguan opposition groups, and 15 guests are participating in the congress, being held in a San Jose hotel and will last until Monday.

BOS leader Alfredo Cesar said that a permanent 30-member assembly, a board of directors, a finance commission, a secretary general, and those in charge of BOS military operations, foreign policy, domestic policy, and propaganda will be elected.

Cesar said this will be the first time that the anti-Sandinist opposition has held a meeting of this kind with broad participation of and representation by the movement's bases.

He also said that after the meeting concludes on Monday, an important document will be released. The document will serve to introduce a plan for a government platform in Nicaragua. "This platform opposes the totalitarian alternative that the Sandinist regime offers at present."

Cesar reported that the special guests include the assistants to congressmen Edwards of the Republican Party and Skelton of the Democratic Party, as well as delegates of the Christian Democratic Organization of American, ODCA; the Democratic Action Party of Venezuela; the Confederation of Honduran Workers; and the National Liberation Party of Costa Rica.

The leader denied that military issues will be discussed during the meeting, since the anti-Sandinists will be receiving the \$100 million aid that the U.S. Government approved.

It was mentioned that the BOS is slated to receive at least \$5 million of this aid.

Cesar Predicts War Escalation

PA181244 Paris AFP in Spanish 1643 GMT 17 Aug 86

[Text] San Jose, 17 Aug (AFP) -- The BOS, which will get at least \$5 million of the \$100 million that the U.S. Government will give to the anti-Sandinist rebels, predicts an escalation of the war in Nicaragua's rural and urban areas in the coming 6 months.

BOS leader Alfredo Cesar told AFP that the movement's combatants -- he estimated them to be less than 1,000 -- are already committed to the struggle in Nicaragua's southern and Atlantic areas. He warned, however, that their actions will be stepped up when the U.S. aid arrives.

He thinks the last chance for a peaceful solution to the Nicaraguan conflict was lost when the Contadora document for peace failed to be signed on 6 June "due to the intransigency" of the Sandinist leaders.

According to Cesar -- president of the Movement for Recovery and National Conciliation, a BOS member organization -- the Sandinists "have not yielded to one single domestic or security point," despite the other Central American countries' repeated requests.

He said that this situation and the \$100 million aid for the contras that the U.S. Senate ratified last week will lead to an escalation of war "that will likely reach the cities for the first time."

Thanks to a cooperation agreement with the Nicaraguan Opposition Unity, UNO, 2 months ago, the BOS succeeded in securing for itself at least \$5 million of this aid.

The agreement was reached -- amid strong discrepancies, mainly because of the presence of well-known former Somozists in the FDN, a UNO member -- as a condition demanded by the United States to aid the anti-Sandinist rebels.

Cesar said that this coordination occurs in the political field -- for instance, the presence of top UNO leaders in the first BOS assembly held in San Jose this weekend -- and in the military field, where, he said, the militarymen of the two groups fight "together but not side-by-side."

He added that, in accordance with the aid plan approved by the U.S. Government, the BOS, formed by five organizations in exile, is scheduled to receive at least \$5 million that will go directly to the BOS combatants.

He said that the leadership of these forces -- most of them formerly commanded by Eden Pastora, "Commander Cero," who withdrew from the struggle on 15 May -- has been entrusted to young cadres such as "Franklyn," Justiciero," and "el Duende," among others.

He explained that other well-known military leaders such as "Tito" Chamorro and "Popo" Chamorro, have abandoned the struggle, basically for reasons of health or age, and work in BOS as political leaders.

Cesar insisted that the BOS combatants are on Nicaraguan soil, because the organization abides by Costa Rican law and this country's neutrality. He said further: "There can be no war from San Jose, because this would be fatal for us. The BOS does not agree to lead the struggle from San Jose."

It was recalled that, during the government of former president Luis Alberto Monge, Costa Rica faced serious problems because of the presence in the country's north of combatants who even had camps in the country.

Cesar also feels that, at present, there is a favorable opportunity for the Nicaraguan opposition unified in the BOS.

He referred specifically to the recent Socialist International meeting in Peru, in which the BOS was accepted as an observer and support for the Sandinist revolution's initial project, which the Managua government has not yet fulfilled, was ratified.

Finally, he predicted an escalation of the struggle in Nicaragua in the coming 6 months and that, once this term ends, dialogue, proposals and counterproposals on the country's violent situation could be initiated.

Seeks No U.S. Intervention

PA190417 Paris AFP in Spanish 2205 GMT 18 Aug 86

[Text] San Jose, 18 Aug (AFP) -- The BOS, an organization that brings together Nicaraguan Social Democratic and Christian Democratic groups in exile, asked the United States today to rule out the possibility of a direct intervention in Nicaragua.

BOS President Alfredo Cesar said the fact that communism has been introduced in Nicaragua does not give western powers the right to intervene in Nicaragua.

"We welcome the aid foreign governments may give our cause, but we will never allow others to do things in Nicaragua for us," Cesar said during the closing session of the first BOS congress.

Cesar also said that the BOS will continue to support guerrilla groups that fight the Nicaraguan Government until the Sandinists fulfill their promises of political pluralism, nonalignment, and respect for a mixed economy system, such as the one which existed when they came to power in 1979.

The BOS ended its first regular congress today. In attendance were 70 delegates, as well as observers from other anti-Sandinist groups and several Latin American Social Democratic and Social Christian organizations.

The BOS Congress condemned press freedom violations and religious persecution in Nicaragua, and accused the FSLN of leading the country "to destruction."

U.S. REFUSES TO JOIN GORBACHEV'S MORATORIUM CALL

FL191441 Havana Radio Progreso Network in Spanish 1100 GMT 19 Aug 86

[Text] The U.S. Government has rejected Soviet leader Mikhail Gorbachev's call for declaring a nuclear test moratorium. Washington's spokesman Larry Speakes said a nuclear moratorium would not benefit the United States because these weapons need to be further developed. Speakes said nuclear tests guarantee the country's defense because they ensure continued improvements in war systems.

The U.S. reaction was made almost immediately after Soviet leader Mikhail Gorbachev announced in Moscow the extension until next 1 January of the unilateral moratorium adopted by the Soviet Union a year ago.

ORTEGA CITED ON 'VIETNAMIZATION' OF C.A.

PA191636 Havana International Service in Spanish 1600 GMT 19 Aug 86

[Text] The beginning of the U.S. aggression in Central America is similar to the U.S. intervention in Vietnam, said Nicaraguan President Daniel Ortega in Managua, responding to remarks by Costa Rican President Oscar Arias. The Costa Rican president recently said he does not believe in the possibility of a U.S. invasion of Nicaragua because he trusts that U.S. President Ronald Reagan will keep his word and not send Yankee soldiers to fight in Central America. Daniel Ortega indicated that if Reagan made this statement to President Arias, he has reason to believe him. Nevertheless, Ortega insisted that Central America is currently experiencing a U.S.-inspired process of Vietnamization. He recalled that the U.S. Congress has already approved sending military advisers to work with the Nicaraguan counterrevolutionaries, an action that directly involves U.S. personnel in the aggression against Nicaragua.

SOVIET SPECIALISTS ASSIST WITH EXPERIMENTS

FL191947 Havana Tele-Rebelde Network in Spanish 1100 GMT 19 Aug 86

[Text] A scientific experiment will begin this week in Camaguey's proving grounds aimed at testing the effectiveness of cloud-seeding measures to induce rain. The experiment is part of the research work of the joint Cuban-Soviet laboratory for the study of tropical meteorology and hurricanes. A laboratory IL-14 aircraft, an AN-26 airplane in charge of conducting the cloud-seeding operation, two radar systems, one air station, a pluviograph network, and over 100 Cuban and Soviet specialists will participate in the project.

ALEGRETT INAUGURATES SELA MEETING IN CARACAS

FL192112 Havana Radio Periodico del Aire in Spanish 1600 GMT 19 Aug 86

[Text] Caracas - SELA Permanent Secretary Sebastian Alegrrett has called for the region to unite and defend its interests against the foreign debt problem aggravated by the avalanche of protectionism practiced by industrialized countries.

Alegrett inaugurated the first preparatory meeting of the 12th SELA Council at SELA headquarters in Caracas. The meeting is attended by 80 delegates from 25-member countries.

Pedro Morales Carballo, head of the Cuban delegation, said it is necessary to promote the participation of member-states by expanding relations among themselves.

'OUR AMERICA' COMMENTARY ON SALVADORAN DIALOGUE

PA190447 Havana International Service in Spanish 2300 GMT 18 Aug 86

["Our America" commentary]

[Text] With the sluggishness that has characterized every step of the third dialogue with the guerrilla forces, the Salvadoran regime has still not asked Mexico for permission to hold the preparatory meeting there. The meeting is scheduled for 20 August.

In view of the delay, it would not be surprising if the date of the meeting is changed. The purpose of the meeting is to discuss, among other issues, the rebels' demand to make public the subjects for talks, a demand that the Duarte government refuses to accept.

Nevertheless, the FMLN-FDR is maintaining the offer made last July to free Colonel Omar Napoleon Avalos, former Civil Aeronautics director, if the regime releases political prisoners.

Inasmuch as the moment of the talks is inevitably drawing closer for the regime, it is important to note that despite the increasing U.S. support, there is evidence the rebel forces' fighting capacity has not diminished. They have become more organized to the point of forcing the Armed Forces to depend increasingly on U.S. support to continue with the counterinsurgency campaign.

General John Galvin, U.S. Southern Command chief, said his country has spent \$100 million annually in recent years to support the Salvadoran Army. Despite this, the Salvadoran regime is forced to use 40 percent of the nation's budget to finance the war, a situation that could cause financial collapse.

Duarte and other government officials admitted this was possible when they explained why the government was implementing the economic measures. This proved, among other things, that no matter how much help they receive from the United States, a significant percentage to finance the war must come from state funds.

The problem for the Salvadoran authorities is not an easy one to solve. If the war demands more money, which will require implementing unpopular measures, dissatisfaction among the people will increase, and the crisis will become more serious, until it becomes a cycle without solution.

At this point, the Salvadoran working class has realized what the continuation and financing of the conflict by the authorities would mean. During a meeting last July, the National Union of Salvadoran Workers proposed a series of measures for peace and reconstruction.

It is undeniable that in face of the current crisis, with the economy affected by an unjust war, the people's increasing disapproval, and other factors affecting its stability, the Jose Napoleon Duarte regime is being forced to hold a dialogue with the forces that have all the people's support.

MIRET CHAIRS PUNTA GORDA NICKEL PLANT MEETING

FL192316 Havana Radio Rebelde Network in Spanish 2300 GMT 19 Aug 86

[Text] Party politburo member Pedro Miret Prieto has chaired the meeting held today to assess progress made by the workers at the Punta Gorda nickel plant.

Miret, together with PCC central committee member and Basic Industry Minister Marcos Portal and other leaders, visited Caya Guam's chrome processing plant.

LAZO HEADS FMC MEETING IN SANTIAGO DE CUBA

FL192337 Havana Radio Rebelde Network in Spanish 2300 GMT 19 Aug 86

[Text] Esteban Lazo, member of the politburo and first party secretary in Santiago de Cuba Province, has presented the flag to the fourth congress contingent of the federation of Cuban Women [FMC] which, with a membership of 74,000 women in the province, will carry out all tasks assigned to it with volunteer work so Santiago de Cuba may host the 35th commemoration of the assault on the Moncada Barracks and the fourth party congress.

During the ceremony, the territory's FMC members delivered their work commitments through the year 1990 and hailed the municipalities which have fulfilled their goals during the first 6 months of the year.

A critical analysis of the difficulties facing women and their willingness to solve all problems was the highlight of the meeting, which was attended by provincial, municipal, and local FMC leaders.

CONSTRUCTION UNION DISCUSSES DEFICIENCIES

FL142346 Havana Radio Rebelde Network in Spanish 2300 GMT 14 Aug 86

[Text] Central Committee members Pedro Ross and Pedro Fernandez, secretary general of the Construction Labor Union, have presided over the opening session of the third plenum of the construction union's national committee which is being held in Santiago de Cuba.

Among the most important topics discussed today were labor and salary policies deficiencies and violations.

BRIEFS

SUSPENSION OF ARGENTINE CREDITS -- Havana (REUTER) -- According to statements made yesterday by diplomatic sources, the Central Bank of Argentina has suspended commercial credits to Cuba because of growing delays in Cuban payments of its commercial debts. Last year Argentina supplied Cuba with credit worth \$2.6 billion. According to the sources, Argentina suspended its trade credits 3 weeks ago, halting a \$120-million loan made in February for the construction of 2,000 Varadero beach hotel rooms. Other projects were also suspended. Cuban payments arrears began accumulating in early July after it formally suspended the interest and principal payments on its medium- and long-term debt. These payments were due 1 July and were suspended due to an acute shortage of foreign exchange. The government, however, has not formally acknowledged this suspension of remittance abroad. [Text] [Buenos Aires AMBITO FINANCIERO in Spanish 5 Aug 86 p 1 WA]

CARIBBEANBARBADOSAUTHORITIES INCREASE FIGHT AGAINST DRUGS

FL191331 Bonaire Trans World Radio in English 1130 GMT 19 Aug 86

[Text] Barbadian authorities intend to increase security and seize property obtained from drug profits. Attorney General Maurice King told reporters Prime Minister Errol Barrow's government is committed to improving the Caribbean island's customs service and the police force to deal with drug smuggling in Barbados.

TRINIDAD-TOBAGOCHAMBERS CALLS FOR PARTY TO OPEN NOMINATIONS

FL191239 Bonaire Trans World Radio in English 1130 GMT 19 Aug 86

[Text] Trinidadian Prime Minister George Chambers has given instructions to his ruling People's National Movement to open nominations for general elections. Mr Chambers gave his instructions Sunday night at a general council meeting at the party's headquarters.

General elections in the twin-island oil-rich Caribbean nation are constitutionally due this year or next. No election date has been announced, but it is thought Mr Chambers will call a November election next month.

DOMINICAN REPUBLICBALAGUER TO LAUNCH CONSTRUCTION PROGRAM

FL191249 Bonaire Trans World Radio in English 1130 GMT 19 Aug 86

[Text] Dominican President Joaquin Balaguer says he will launch a state-sponsored construction program to revitalize this Caribbean country's sagging economy. Mr Balaguer said in a statement that the construction program will be coupled with a program to eliminate what he called superfluous expenses and a strict policy of austerity.